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## <u>2SSB 5596</u> - H COMM AMD By Committee on Appropriations

## ADOPTED AND ENGROSSED 03/06/2008

1 Strike everything after the enacting clause and insert the 2 following:

- 3 "NEW SECTION. Sec. 1. A new section is added to chapter 48.43 RCW 4 to read as follows:
  - (1)(a) Except as provided in (b) of this subsection, a health carrier may not develop and use a payment methodology that would result in a payment to a chiropractor under a physical medicine and rehabilitation payment or billing code or an evaluation and management payment or billing code in an amount less than a payment to a different provider licensed under Title 18 RCW who is being paid under the same physical medicine and rehabilitation payment or billing code or the same evaluation and management payment or billing code. For payment methodologies that are developed and used on or after January 1, 2009, it is presumed that payment or billing codes that apply only to health care services provided by chiropractors are not in compliance with this requirement unless the carrier shows to the commissioner's satisfaction that the payment or billing codes are used only to achieve the purposes permitted under (b) of this subsection.
    - (b) This section does not affect a health carrier's:
  - (i) Implementation of a health care quality improvement program to promote cost-effective and clinically efficacious health care services, including but not limited to pay-for-performance payment methodologies and other programs fairly applied to all health care providers licensed under Title 18 RCW that are designed to promote evidence-based and research-based practices; or
  - (ii) Health care provider contracting to comply with the network adequacy standards of RCW 48.43.515 and the rules adopted by the commissioner establishing network adequacy standards.
    - (c) This section does not, and may not be construed to:

- 1 (i) Require the payment of provider billings that do not meet the 2 definition of a clean claim as set forth in rules adopted by the 3 commissioner;
- 4 (ii) Require any health plan to include coverage of any condition; 5 or
- 6 (iii) Expand the scope of practice for any health care provider.
- 7 (2) This section applies only to payment methodologies developed or 8 used on or after January 1, 2009.
- 9 **Sec. 2.** RCW 41.05.017 and 2007 c 502 s 2 are each amended to read 10 as follows:
- Each health plan that provides medical insurance offered under this chapter, including plans created by insuring entities, plans not
- 13 subject to the provisions of Title 48 RCW, and plans created under RCW
- 14 41.05.140, are subject to the provisions of RCW 48.43.500, 70.02.045,
- 15 48.43.505 through 48.43.535, 43.70.235, 48.43.545, 48.43.550,
- 16 70.02.110, 70.02.900, <u>section 1 of this act</u>, and 48.43.083.

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- NEW SECTION. Sec. 3. A new section is added to chapter 48.43 RCW to read as follows:
  - (1) Beginning January 1, 2009, the commissioner shall require carriers to report such data as the commissioner may determine are necessary for an evaluation of the impact of section 1 of this act on the utilization and cost of health care services associated with physical medicine and rehabilitation payment or billing codes and evaluation and management payment or billing codes, and on the total cost of episodes of care for treatment associated with the use of these payment or billing codes.
- 27 (2) The data may include, but need not be limited to, the 28 following:
  - (a) Data on the utilization of physical medicine and rehabilitation services and evaluation and management services associated with payment or billing codes for those services;
- 32 (b) Data related to changes in the distribution or mix of health 33 care providers providing services under physical medicine and 34 rehabilitation payment or billing codes and evaluation and management 35 payment or billing codes;

- (c) Data related to trends in carrier expenditures for services associated with physical medicine and rehabilitation payment or billing codes and evaluation and management payment or billing codes; and
  - (d) Data related to trends in carrier expenditures for the total cost of health plan enrollee care for treatment of the presenting health problems associated with the use of physical medicine and rehabilitation payment or billing codes and evaluation and management payment or billing codes.
  - (3) The commissioner may adopt rules necessary to implement this section, including but not limited to the format and timing of data reporting and defining the years for which data must be provided.
  - (4)(a) Data, information, and documents provided by the carrier pursuant to this section are exempt from public inspection and copying under chapter 42.56 RCW to the extent that they contain actuarial formulas, statistics, and assumptions submitted in support of setting rates for the carrier's health plans.
  - (b) The commissioner is authorized to use documents, materials, or other information obtained pursuant to this section in the furtherance of any regulatory activities, reports to the legislature, or legal actions brought as a part of the commissioner's official duties.
- (5) The commissioner shall submit the evaluation required in subsection (1) of this section to the appropriate committees of the senate and house of representatives by January 1, 2012.
- 24 NEW SECTION. Sec. 4. This act expires June 30, 2013."
- 25 Correct the title.

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